

Message Text

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PAGE 01 SEOUL 05997 110613Z
ACTION XMB-04

INFO OCT-01 EA-10 ISO-00 EB-08 TRSE-00 CIAE-00 INR-10
NSAE-00 COME-00 OMB-01 SSO-00 INRE-00 /034 W
-----082444 110618Z /10
O R 110600Z JUL 78
FM AMEMBASSY SEOUL
TO SECSTATE WASHDC IMMEDIATE 2193
INFO AMEMBASSY TOKYO

C O N F I D E N T I A L SEOUL 5997

PASS U.S. EXIMBANK IMMEDIATE

E.O. 11652: GDS
TAGS: EFIN, BENC, KS
SUBJECT: SEOHAE THERMAL POWER PLANT - EXIMBANK PRELIMINARY COMMITMENT
NO. 78-0-4156

REF: SEOUL 5891

1. EMBASSY HAS LEARNED THAT KECO AND MINISTRY OF ENERGY HAVE AGREED THAT, IN THE INTEREST OF EMPLOYING HYUNDAI'S CHANGWON PLANT FOR PURPOSES INTENDED, AND, IN THE INTEREST OF U.S. BALANCE OF PAYMENTS, THEY SHOULD IF AT ALL POSSIBLE SELECT HYUNDAI BIDS INCLUDING GENERAL ELECTRIC AND COMBUSTION ENGINEERING.

2. HOWEVER, GETTING AROUND THE IMPROVED HITACHI PACKAGE BID POSES DIFFICULTY INASMUCH AS IT WOULD BE VIRTUALLY IMPOSSIBLE TO DISQUALIFY SUCH A CAPABLE AND EXPERIENCED COMPANY ON TECHNICAL GROUNDS. NEVERTHELESS, IF U.S. EXIMBANK REPLIES ON JULY 11 WITH FINANCING COMPETITIVE TO JAPANESE EXIMBANK, ROK/KECO WILL USE BANK'S RESPONSE AS REASON FOR SELECTING HYUNDAI/U.S. FIRM BIDS.

3. WE ALSO UNDERSTAND THAT HITACHI HAS LEARNED OF KECO/MOE
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DESIRES AND IS SOLICITING IMPROVEMENT OF TERMS BY JAPAN EXIMBANK. TO FORESTALL NEW JAPANESE OFFER, KECO WILL MAKE ITS AWARD IMMEDIATELY UPON RECEIPT OF EXIM'S CABLE ADVICE OF IMPROVED PACKAGE.

4. SITUATION RESTS CRITICALLY ON EXIM'S ABILITY TO IMPROVE FINANCING TO 7.75 PERCENT. THE IMPORTANCE OF THIS BID IS

ENHANCED BY THE FACT THAT IT WILL DETERMINE THE OUTCOME OF THE MUCH
LARGER SAMCHONPO PROJECT.
STERN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: THERMAL POWER PLANTS, PROPOSALS (BID)
Control Number: n/a
Copy: SINGLE
Draft Date: 11 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978SEOUL05997
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Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780283-0064
Format: TEL
From: SEOUL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780774/aaaackbp.tel
Line Count: 65
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: c3edce77-c288-dd11-92da-001cc4696bcc
Office: ACTION XMB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 SEOUL 5891
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
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Review Exemptions: n/a
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Review Release Date: n/a
Review Release Event: n/a
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Review Withdrawn Fields: n/a
SAS ID: 2050483
Secure: OPEN
Status: NATIVE
Subject: SEOHAE THERMAL POWER PLANT - EXIMBANK PRELIMINARY COMMITMENT NO. 78-0-4156
TAGS: EFIN, BENC, KS, KECO
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/c3edce77-c288-dd11-92da-001cc4696bcc
Review Markings:
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